

SUBSTANTIVE POLICY STATEMENT

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INSPECTION AND COMPLIANCE UNIT OPERATIONAL PROCEDURE

FLEET EMISSIONS INSPECTION STATION AUDIT PROCEDURE

ISSUE DATE: May 22, 2009

Revised: May 22, 2009

A. SCOPE

This procedure outlines the equipment requirements and methods for auditing fleet permit holders and permit applicants facilities.

B. APPLICABILITY

This procedure applies to audits of existing fleets, new permit applicant's facilities, name, address changes and special audits.

C. GENERAL INFORMATION

Pursuant to Arizona Revised Statutes (ARS) § 49-546 the owner or lessee of a fleet of 25 or more vehicles may apply to the Director of the Arizona Department of Environmental Quality for a permit to establish a fleet emissions inspection station. Before the permit is issued, the Inspection and Compliance Unit (ICU) shall verify that the permit holder or permit applicant meets the requirements as specified in Rule R18-2-1019. In addition, the audit investigation will assess compliance with all appropriate emissions laws and rules governing fleet station operations and vehicle emissions inspection. After the permit has been issued, the ICU will conduct scheduled and unscheduled audits to verify continued compliance. All fleet registered analyzers and/or opacity meters will be audited in accordance with ICU registered analyzers and/or opacity meters audit procedures at least once every 90 days by a State Inspector. During 90 day visits, the inspector will review fleet records to assess compliance. Each vehicle emissions inspector shall be audited twice annually.

Note: To provide quality service to our customers and align our jobs with the Department's mission the state inspector shall become familiar with the fleet handbook, and applicable Statutes and Rule: A.R.S § 49-541, 49-542, 49-524.03, 49-

543, 49-546, 49-548, 49-549 & 49-550, 49-552, 49-557, 49-561, and Rules R18-2-1000 et. seq.

D. EQUIPMENT REQUIREMENTS

1. TWO CYLINDERS OF AUDIT GAS AND ANALYZER AUDIT EQUIPMENT AS DETAILED IN ICU ANALYZER AUDIT PROCEDURE
2. INSPECTION AND COMPLIANCE UNIT AUDIT FORMS:
 - a. FLEET AUDIT CHECKLIST/REPORT
 - b. NOTICE OF INSPECTION RIGHTS
 - c. DAILY LOG
 - d. FLEET AUDIT RECORD DEALER SALES
 - e. APPEALABLE AGENCY ACTION FORMS
 - f. RED TAG
 - g. COI RECEIPT FORM
 - h. GOVERNMENT VEHICLE COMPLIANCE AUDIT FORM

E. PROCEDURE

This procedure covers new, annual, name/address change and special audits. The state inspector performing the audit in accordance with procedure shall document the audit by completing a Fleet Audit Checklist/Report (FAC/R). The state inspector must complete all entries on the FAC/R and place a circle around pass or fail areas that are not identified as non applicable. The FAC/R notations must be brief but concise and factual. A detailed narrative report is required when violations are documented. Omission of inappropriate steps for new permits or special audits are approved, however, the FAC/R must indicate that an area is inappropriate by denoting with the entry "N/A new permit" or "N/A Special Audit". The procedure follows the FAC/R sequence of operations.

1. Upon receipt of an acceptable fleet emissions inspection station application for new, name or address change permit, **Acceptable applications are: Original applications; signed by a owner or Cooperate officer, person of signatory authority;** Applications that do not have the proper signature shall be returned to the applicant without starting the License Time Frame (LTF) clock. The clerical staff assigned as the application receiving clerk shall complete sections 1 and 2 of the ICU operation procedure and notify the ICU Supervisor of any questionable applications. **NOTE: ALL APPLICATIONS ARE TO BE DATE STAMPED**

UPON RECEIPT

- a. Verify agent designation form accompanies application if fleet applicant (owner/lessee) will not be assuming that responsibility. The designated agent can be the fleet emissions inspector or a fleet employee in a management position. Verify agent has passed the required Departmental exam.
 - b. Verify signature and title of applicant. An application MUST be made by the owner or lessee of the fleet as per ARS § 49-546. In the case of a corporation, application must be signed by a corporate officer (President, Vice President, Secretary, and Treasurer). A copy of that portion of the articles of incorporation, identifying the corporate officers must accompany the application of a new fleet that has not been previously identified. If no articles of incorporation accompany the application, log onto the corporation commission web site and verify the corporate signature. Once ownership signature is verified, print a copy of the articles for the fleet file. If unable to verify signature and title of applicant, notify the ICU supervisor.
 - c. Government entities permit applications should be signed by the individual responsible for the vehicle fleet. Applications signed by other than the above will be rejected and returned to the applicant for correction.
 - d. If the facility does not currently have a registered analyzer and an application was not submitted at the time of the fleet permit application the state inspector may initiate the application at the time of the audit as outlined in the ICU registered analyzers and/or opacity meters audit procedures. The ICU supervisor shall identify the requirement to submit an analyzer application in the Notice of Administrative Deficiency with Suspension (NADS) of the License Time Frame (LTF) clock.
 - e. Minor correction to the application may be made by unit personnel. Applications with significant errors in this area shall be rejected and returned to the applicant, accompanied by a letter which describes all errors and deficiencies. A copy of the original application must be made and retained on file. This is necessary where an application is being rejected as the original application evidences the time of the application. New Fleet applications will be given to Audit supervisor.
2. Clerical staff assigned shall create a file folder for the new fleet applicant or pull the file of a current fleet. Clerical staff shall complete the header portion of the (FAC/R), and the Notice of Inspection Rights (NOIR). After completion of the

FAC/R and the NOIR clerical staff shall forward all files to the ICU Supervisor. The ICU audit supervisor shall enter the NADS event in AZURITE and complete the required NADS letters and forward them to the agent or applicant. The ICU supervisor shall assign the audit(s) to the compliance officers.

3. When the assigned compliance officer receives the file and the FAC/R, he or she shall initiate the audit within ten days. All fleet audits are unannounced, with only a few exceptions and those will be discussed with the ICU supervisor before any fleet contact. All new fleet permit audits will be completed before the LTF clock expires. The Administrative Completeness Review Time-Frame shall be completed within 14 days from the date the new fleet permit application was accepted. The Substantive Review Time-frame shall be completed within 20 days

All annual audits of current fleet permit locations shall be completed prior to the end of the month as assigned.

4. The state inspector shall record the audit in the inspection, compliance and enforcement (ICE) database by logging into AZURITE and completing the following:
 - a. Go to “file / open / compliance / inspection”
 - b. Start with the first white box and work your way down to the inspector box.
 - c. Click in the “Environmental Program Type” box and click on the blue arrow to drop down a list of values and chose the vehicle emissions program then click ok.
 - d. Click in the “Inspection Type” box and click on the blue arrow to drop down a list of values and chose “Unannounced Inspection” then click ok.
 - e. Click in the “Place” box and click and click on the square with the smaller boxes. This will open the search screen to find the permitted facility in the AZURITE database. Used the % sign before and after the name of the facility. After you have found the correct facility, click the small box to the left of the facility then click ok.
 - f. Click in the “Permit” box and click on the blue arrow to open a list of values and chose the largest number series of fleet permit numbers that AZURITE has assigned for the fleet station permit. This will bring up the responsible party.
 - g. Click in the “Inspector Box” and click the blue arrow to open a list of inspectors. Type in your lan ID and click ok then save.

- h. ICE will assign an inspector number.
- i. Write the inspection number on the top left corner of the audit form.

NOTE: IF YOU CANNOT FIND THE FLEET IN THE DATABASE, NOTIFY THE ICU SUPERVISOR FOR ASSISTANCE.

- 5. After you have written the ICE inspection number on the FAC/R, click in the event box and click on the blue arrow to open a list of values. Chose the “pre-inspection file review” event and click ok. Your cursor will go to the date box, enter the date you conducted the file review and click save. Click in the event box and click on the blue arrow to open the list of values. Chose the “Inspection Scheduled” event and click ok. Enter the current date and save.
- 6. Prior to performing the audit and during the file review the state inspector will obtain the following information for each fleet: 1) A list of all vehicle emissions inspectors and fleet agents, the list shall include the inspectors’ name, license number, expiration dates and inspector performance audit dates. 2) Record the serial numbers of the last two (2) or three (3) purchases of Certificates of Inspection (COI) or Government Entity Stickers and record the serial numbers and purchase dates on the FAC/R under "Certificate of Inspection. Review of the fleet Vehicle Inspection Report/Monthly Summary (FVIR/MS) to determine the date in which the fleet issued the first COI of each purchase. Record the dates on the FAC/R.
- 7. When visiting the applicant's place of business the state inspector **shall contact either the fleet owner or agent, show photo identification, give the applicant or on-site representative the NOIR** and advise the fleet that an audit is in progress.
- 8. During all audits, the number of qualifying vehicles shall be verified by review of vehicle titles or lease agreements or asset lists. Qualifying vehicles are non-exempt vehicles for which a permit has been requested; i.e., if application is submitted for a heavy duty diesel permit, a non-dealer fleet must own or lease 25 or more 1967 or newer diesel vehicles of 8,501 pounds or greater gross vehicle weight rating (GVWR). A dealer’s business inventory of vehicles held for resale, counted cumulatively over the previous 12 months at the time of application review by the Department shall be used to determine compliance with this section. The dealer can also certify in writing to the department that they will inspect 25 vehicles annually.

A fleet may be permitted to test vehicles of more than one class, provided all equipment, personnel, and instrument requirements for inspection of the particular classes of vehicles are met. Specific requirements are outlined in the handbook

and rules R18-2-1006 and 1019. The state inspector shall note on the FAC/R under the "Vehicle" area whether the 25 vehicle requirement has or has not been met and indicate either pass or fail.

If the applicant for a new permit fails to meet any fleet station requirement, indicate failure in the appropriate section(s) take notes and continue the audit. At the conclusion of the audit advise applicant or agent of all the deficiencies and forward the FAC/R along with a detailed narrative report to the ICU audit supervisor within three days of audit completion.

Notify the ICU supervisor if additional time is needed to complete the detailed written report.

If a currently permitted fleet station fails to meet fleet station requirements, indicate failure in the appropriate section of the audit report and advise the fleet agent of the deficiencies and forward the FAC/R along with a detailed narrative report to the ICU audit supervisor within three days of audit completion.

9. The state inspector must verify the fleet stations accountability of COIs or GVCOIs. The fleet shall be asked to produce all unused COIs or GVCOIs for review. The state inspector will search for any pre-signed COIs. If pre-signed COIs are found, they are to be confiscated, the applicant or agent is given an appealable agency action form (AAA) and the violation documented on the FAC/R.

On the **first visit day** record and verify serial numbers of the **unused COI or GVCOI inventory and the date recorded**. Verify proper issuance of COIs; i.e. insuring vehicles were owned or leased at time of inspection. Scan for COIs issued at other than the time of inspection; i.e. COIs dated (issued) before being purchased from the Department or COIs observed unused during previous audit that bear issue dates before previous audit date.

Verify continuity of serial numbers of both issued and unused COIs and note any missing COIs on FAC/R. If COIs are missing, try to determine when and if the fleet was aware of the fact. Fleets are required to notify the department in writing within 24 hours of noticing the loss or theft of COIs, R18-2-1019(F)(1)(k). NOTE: The fleet may have just found out while you were auditing. Ask for the written notification while you are there.

The state inspector must verify that the fleet has retained the pink copy of all issued COIs for 2 years from the issue date, R18-2-1019(F)(1)(f). Any deficiencies in COI accountability must be documented on the FAC/R. The state inspector will mark the appropriate section on the FAC/R as pass or fail.

10. FVIR/MS requirements must be verified. The state inspector must ascertain whether or not the fleet has maintained the white original of any completed

FVIR/MS for 2 years, R18-2-1019(F)(1)(f). Verify that COIs or GVCOIs are issued and recorded on the FVIR/MS in numerical order, R18-2-1019(F)(1)(a). Check completeness of entries on the FVIR/MS and scan for issuance of COIs with out proper (complete) inspection. Document all violations on the FAC/R and indicate the appropriate pass/fail status.

11. The state inspector will verify employment of the licensed Vehicular Emissions Inspectors and that the inspector license is properly displayed at the fleet. Record license (CF/D) number with respective expiration dates on the FAC/R. Determine that designated agent is presently employed at fleet. Document all violations on FAC/R. Mark appropriate status block for "Inspector/Agent" section. Record any new inspectors on the FAC/R and any that are no longer employed at the fleet. Obtain written notification from the fleet of both new and terminated inspector.
12. The state inspector must check that the facility, equipment and supplies required to operate a fleet station are present and operational, R18-2-1019(B). Depending on fleet permit type, verify acceptability of emissions analyzer(s) and/or opacity meter(s) in accordance with the ICU registered analyzers and/or opacity meters audit procedures. Record registration number(s) and pass/fail status. New registration numbers will be entered following the assignment. Scan tools that meet SAE J1979 specifications are approved for official OBD II emissions inspections, see attachment 12a. At this time scan tools are not registered.

Verify acceptability of inspection and repair area (sufficient space for repair & inspection of at least one vehicle). The facility must be exclusively owned, rented or leased by the applicant for the purpose. Inspection facility can not be provided under contract or subleased for other purpose.

Perform a functional check of the tachometer, gas cap pressure tester, and (scan tool Non-Dealer Fleets) If the fleet is to be permitted for the inspection of light duty diesel vehicles, or non-dealer heavy duty gas vehicles, the presence of a chassis dynamometer must be documented on the FAC/R. Record dynamometer manufacturer. Verification of dynamometer operation and fleet inspector audits can be performed at the same time.

Remember the fleet or an employee of the fleet must have at least one operational unit of each required type of equipment (analyzer, opacity meter, tachometer, etc.) to be approved for a new permit or continued operation of current fleet station. If the only unit of a particular type fails (inoperable or missing), the facility fails this area of the audit. A fleet that has been issued a permit to inspect more than one class of vehicle may fail on a specific equipment to inspect certain classes of

vehicles. That means the fleet is only ART from inspecting that class of vehicles. Specific equipment requirements are outlined in the handbook and rules R18-2-1006 and 1019. The state inspector must be specific on his or her daily log and on the FAC/R as to what the fleet cannot inspect and forward an email to clerical staff assigned.

13. Dealer Fleets: When the facility/applicant is a licensed automotive dealer the state inspector will verify compliance with the statutory requirements of ARS § 49-542(D). *(A dealer whose place of business is located within a non-attainment area is required to ensure that nonexempt vehicles delivered to retail purchasers are in compliance with all emissions and tampering inspections required by law.)*

The state inspector shall request that the fleet provide inspection documentation on recent retail sales vehicles. If the fleet is unable to recover the requested information or documentation in a reasonable time, the state inspector should complete a "request for records or information" form and present it to the fleet owner or the designated agent. The state inspector should review sales contracts or agreements and/or sales logs to determine sale and delivery date of sold units. Delivery date may be indicated separately on sale agreement if not, confirm delivery date with fleet agent or other representative. (shop work orders will also be helpful)

If delivery of un-inspected vehicles is in question, the state inspector should attempt to contact the purchasers to confirm or establish delivery date. Results of such contacts will be documented and included in the final report.

A representative sample of retail sales should be selected. Normally 20 recent sales should be selected as a minimum unless there are special circumstances.

The delivery date will be compared to the inspection date recorded on the FVIR/MS and the COI issued to the vehicle or the date of a passing inspection at an official inspection station from the vehicle inspection report (VIR).

If inspection was made after delivery date or if the dealer fails to produce an inspection document, record the violation on the FAC/R. At this point the state inspector should consider requesting additional documentation on retail sales of an earlier time frame to better assess compliance practices at the fleet. **Request copies of all documents regarding the violation(s).** Insure that the documents have home and work phone numbers. Redact all social security numbers if not done by the fleet.

14. When auditing governmental entity or non-dealer fleets, the state inspector will survey fleet vehicles to assess the fleet's compliance with the annual inspection requirements. If inspected vehicles are available at a dealer fleet, this section will apply. An asset list will be requested from the government entity to verify compliance with inspection requirements of vehicles the fleet cannot inspect.

Fleet vehicles will also be checked for improper inspection and/or the issuance of a Government Vehicle Certificate of Inspection (GVCOI) to a noncompliance vehicle. **Any vehicle found to be in violation will be documented on the FAC/R in the appropriate section.**

15. The state inspector is required to audit all available fleet inspectors during annual audits and shall complete an inspector audit form for each inspector. The state inspector shall have the fleet's inspector(s) physically inspect at least one of each class of vehicle for which the permit has been issued while observing their procedure and the emissions and tampering inspection results. The state inspector shall make detailed written comments on the inspector's ability to perform an emissions inspection.

The state inspector shall perform under hood inspections of fleet vehicles. Any vehicle failing tampering will be noted on the vehicle equipment checklist and detailed in the report. A complete and accurate description of the vehicle(s), with VIN and the physical tampering must be included in the report. Photographs with description, date and time taken may be used as evidence in the report. Any COIs and GVCOIs issued in violation shall be confiscated, and the fleet notified of the need to repair and re-inspect the vehicle(s). Give the Fleet Appealable Agency Action. If no COIs or GVCOIs were issued to the tampered vehicle no report is necessary. However, the state inspector will take good notes and watch for the vehicle to appear on the monthly summary.

NOTE: Evaluate the nature of the tampering by asking yourself; is the component broken or missing? Could it have been working when it was first inspected? Could it have been stolen off the car?

The state inspector will note how the emissions equipment requirement was determined. As an example, note the presence of an under hood emissions identification label indicating AIR is required or the partial disassembly of the system, etc. If a reference manual, such as the Federal Register, Cascade or Mitchell manuals is used, reference the edition and page number. Include copy of the referenced page(s) as attachments to report.

16. Fleet permits and inspectors' licenses must be prominently displayed by the fleet, R18-2-1019(G)(1). The state inspector will verify and note failure to display on the FAC/R in the appropriate section.
17. Overall Results: Following completion of the audit the state inspector will indicate the audit status with a circle as, pass, and ADEQ will not take any further action or fail and ADEQ reserves the right to take further action as appropriate on the FAC/R.
18. Before meeting with the fleet agent the state inspector will review his/her findings.
19. The state inspector shall meet with the fleet owner or the designated agent to advise of the initial audit overall results. If the audit passes have the owner or agent sign and date the FAC/R and give him/her the second copy. If possible violations are discovered that need verification, inform the owner or agent that further investigation is needed to determine if a violation(s) exist, and you will return with the results of your investigation (you may need to check Motor Vehicle Records or call the purchaser). ICU clerical staff has access to the MVD database if you need to pull a registration for an investigation.

When you return to the fleet review the results of your investigation with the owner or agent, obtain their signature on the FAC/R and give them a copy.

20. Final Reporting: Following the audit visit the state inspector will forward the fleet file with a completed FAC/R supporting documents to the ICU supervisor within **one day of a passing audit**, and **within three days for failing audits, along with the detailed narrative report**, unless special instructions are in force. The ICU supervisor will review all audits with the state inspector. The ICU supervisor will review all failing audits and reports with the ICU Manager and if acceptable the report will be returned to the state inspector for mailing and a copy placed in the fleet file. The forwarded report must be clear, accurate and relate only facts. All inappropriate notations will be edited before reports are forwarded. Copies of the report and supporting documents of the violations will be provided to the fleet owner and agent. **NOTE: THE STATE INSPECTOR SHALL FORWARD AN EMAIL TO THE FLEET DESK AND CERTIFICATION DESK WHEN A FLEET IS ART'D FOR ANY REASON AND RECORD THE ART ON HIS OR HER DAILY LOG. THE EMAIL SHALL LIST THE REASON FOR THE ART.**

If the audit is for a new fleet permit the state inspector shall enter the appropriate (RSPS) event in the LTF database. Regardless if the fleet passes or fails.

Upon completion of the audit the state inspector shall enter the event "Inspection

Conducted” date and save in the ICE database. Regardless if the fleet passes or fails.

If the fleet passes the audit, enter ICE event “**Report Sent to Responsible Party**” date and save. If the fleet fails enter case recommended and ICE will give you a case number, record the number at the top of audit report. Enter in comment “Detailed written report forthcoming”

When a permit holder or permit applicant fails an audit, the state inspector shall complete a comprehensive report. The report will detail the findings; starting the report with:

- On (date) I visited (fleet) to conduct an (type of audit, Special, Annual, New). During the course of the audit the following facts were found.
- The final report shall be completed within three days following completion of the audit, unless special instructions are in force. Copies of all attachments and exhibits will be included in the final report.
- Prior to sending the written report and file to the ICU supervisor, all compliance officers shall complete an inspection self-audit checklist and submit it with the fleet audit report. Attachment 20a

Any Certificates of Inspection to be included as evidence will be centered and secured to full sized sheets. Up to three COI's may be secured per sheet. Any photographs will be presented in like fashion as will any odd or under sized document. Attachments will be assigned in order of appearance in report text.

Report language must be clear, concise and easily read and understood by someone not familiar with fleet operations or requirements. State inspectors should make and keep notes while performing audits. Good notes will make writing easier. Remember-Every ICU report and documents will potentially be used in court.

When the final report indicates a failure, the ICU Supervisor shall review the case with the ICU Manager for determination of the Department's course of action. Complex cases may require further documentation of non compliance. An enforcement determination meeting between the ICU Manager, ICU Supervisor and the state inspector/s may be necessary in more complex cases.

21. All reports or cases needing revision or additional documentation shall be returned to the state inspector for correction or further investigation.

When approved, send a copy of the final report to the fleet agent and/or applicant. Enter the ICE event “Report Sent to Responsible Party” date and save and case recommended date and save.

22. Following determination of the appropriate action, the ICU Manager will return the case to the ICU Supervisor with instructions. i.e., proceed with Case Development Memorandum, or prepare Notice of Opportunity to Correct, Notice of Violation, Schedule of Compliance, Notice to Suspend, etc.

ADDENDUM TO FLEET EMISSIONS INSPECTION STATION AUDIT PROCEDURES FOR COMMON DEFICIENCIES DISCOVERED

1. Failure to perform a monthly calibration of a registered analyzer.

Authority-AAC R18-2-1027(B), R18-2-1019(G)(3)

- A. Perform an analyzer performance audit.
- B. Record the violation on the Repair and Calibration Log (VE160) and daily log, have the agent or owner initial the VE160. Obtain a copy of the VE160 for your report.

NOTE: If you confiscate the VE160, initiate a new VE160 and record the violation on it. Additionally, no warnings will be written on the VE160

- C. If the analyzer fails the performance audit the compliance officer shall issue a red tag.
- D. If the only analyzer or all analyzers owned by the fleet fail a performance audit, then an ART is placed on the fleet station. When an ART is placed on the fleet station, record the following in the comments section of the daily log: Serial number (S/N) and date of last used Certificates of Inspection (COI); Serial Numbers of all unused COIs. Record the fleet ART on the daily log along with the fleet number and name.

2. Failure to employ a licensed inspector.

Authority - ARS 49-546(A)(3); AAC R18-2-1019 (D)(3)

- A. Notify the Fleet Agent of the requirement to cease fleet operations.
- B. Verify COIs have not been issued by un-license or personnel with expired license. If violation has occurred, follow the steps outlined in number 5.
- C. Notify the Fleet Agent of the requirement to surrender all unused COIs to the Department.

- D. Provide the fleet agent with a receipt for the COIs. (The white copy of the receipt will always go with the COIs)
- E. Present Fleet Agent with an Appealable Agency Action (AAA) form.
- F. Always try to obtain a letter from the fleet owner or agent advising the Department of the change in the inspector(s) employment status. Inform the fleet owner or agent of the requirement to notify the department within seven days of the change of employment status of their license inspector(s).
- G. If the fleet station applicant has failed to notify the Department of the loss of their inspector, or to surrender the unused COIs to the Department within the specified seven (7) days. Document the violation on the daily log and or FACL/R. Submit a written report to the ICU supervisor, citing R18-2-1019(G)(7)
- H. Place an ART on the fleet station for no license inspector. Document the violation and the ART on your Daily Log. Example; ART fleet # Joe's car sales for no license inspector.

Investigators note: You may want to verify the date the inspector left the fleets employ with the inspector/agent. His or her home phone number should be listed on the Inspector/Agent application card.

3. Fleet Agent requirement not met.

Authority-AAC R18-2-1019(D)(4), R18-2-1019(G)(8)

- A. Notify the Fleet Applicant of the requirement to cease fleet operations.
- B. Present applicant with a AAA form.
- C. Present fleet applicant with a new agent designation form.
- D. Record the S/N and date of the last used COI, and S/Ns of all unused COIs.
- E. Verify COIs have not been issued after the fleet agent has left the fleet stations employ or is expired. See investigators note for no licensed inspector. If a violation has occurred, follow steps outlined in number 4.
- F. Always try to obtain a letter from the fleet owner advising the Department of the change in the fleet agent,s employment status. Inform the fleet owner or agent of the requirement to notify the department within seven days of the change of employment status of their fleet agent.
- G. If the fleet station applicant has failed to notify the Department of the loss of their

fleet agent within the specified seven (7) days, record the violation on the daily log and submit a written report to the ICU Supervisor citing AAC R18-2-1019(G)(8).

- I. Place ART on the fleet station for no fleet agent. Document the violation and the ART on your Daily Log. Example; ART fleet # Joe's car sales for no fleet agent.

4. Operation of fleet station (COIs issued) without employing a Fleet Agent.

Authority-ARS 49-546(F), AAC R18-2-1019(D)(4), R18-2-1019(G)(8).

- A. Notify the Fleet Applicant of the requirement to cease fleet operations.
- B. Record the S/N and date of the last used COI, and S/Ns of all unused COIs.
- C. Determine date fleet agent left the employ of the fleet station.
- D. Again, always try to obtain a letter advising the Department of the change in employment status of their fleet agent.
- E. Document the S/Ns of the COIs issued after the date the fleet agent left the fleet stations employment.
- F. For Dealer Fleet: Determine if the COI is issued to a vehicle (s) which is in inventory. Confiscate COIs issued to vehicles which are still in inventory. Mark the original (white) Fleet Vehicle Inspection Report/Monthly Summary (FVIR/MS) denoting the confiscation of the invalid certificate. COIs issued to vehicles which have been delivered are not to be confiscated.
- G. For Non-Dealer Fleet: Confiscate COIs which have not been submitted to ADOT/MVD for registration processing. Mark the FVIR/MS denoting confiscation of the invalid certificate(s).
- H. Advise fleet station of the need to re-inspect the vehicle(s) after the requirements of the fleet agent has been met.
- I. Record violation on the daily log, submit written report citing ARS 49-543(F), AAC R18-2-1019 (G)(8).
- J. Issue AAA form if COIs are confiscated.
- K. Place an ART on the fleet station if no new fleet agent has been designated. Document the violation and the ART on your Daily Log. Example; ART fleet # Joe's car sales for no fleet agent.

5. COIs issued by inspector whose license has expired.

Authority-ARS§49-546(A)(3),49-543(F);AACR18-2-1019(F)(1)(a);R18-2-1019(G)(7).

- A. If the inspector was the fleet station's only licensed inspector, follow steps outlined in procedure number 2 and the following:
- B. Determine the date the inspector allowed his or her license to expire.
- C. Document the S/Ns of the COIs issued after the inspector's license expired
- D. Dealer Fleet: Determine if the COI was issued to a vehicle(s) which is in inventory. Confiscate COIs issued to vehicles by un-licensed inspector(s) which are still in inventory. Mark the original (white) FVIR/MS denoting the confiscation of the invalid certificate(s). The COIs issued to vehicles which have been delivered are not to be confiscated
- E. Non Dealer Fleet: Confiscate COIs which have not been submitted to ADOT/MVD for registration processing. Mark the FVIR/MS denoting the confiscation of the invalid certificate(s).
- F. Advise the fleet station of the need to have the vehicle(s) re-inspected by licensed inspector(s) or after the licensed inspector requirement has been met. Note: Passing the examination and issuance of the inspector license is required before an inspector may inspect vehicles
- G. Note the violation on the daily log, submit a written report to the ICU Supervisor citing ARS 49-543(F), AAC R18-2-1019 (F)(1)(a).
- H. Issue Appealable Agency Action (AAA) form if COIs are confiscated.

6. Issuance of COIs at other than time of inspection.

Authority-ARS 49-543(F), AAC R18-2-1019(F)(1)(a)

- A. Document S/Ns of COIs issued at other than time of inspection.
- B. Confiscate COIs issued in violation as follows:
- C. Dealer Fleet: Determine if the COIs issued to vehicles which are still in inventory. Confiscate COIs issued to vehicles which are still in inventory. Mark the FVIR/MS denoting the confiscation of the invalid certificate. COIs issued to vehicles which have been delivered are not to be confiscated.

Investigators note: COI(s) issued at other than time of inspection is often issued to vehicles which were not owned or leased by the dealer fleet station compounding the violation. Example: A COI is purchased April 3, 2000, and backdated to the date of the actual vehicle inspection March 27, 2000. If the vehicle was sold and delivered on March 27, 2000, the COI was issued to a vehicle that was not owned by the fleet station when it was

issued after being purchased on April 3, 2000.

- D. Non Dealer Fleet: Confiscate COIs which have not been submitted to ADOT/MVD for registration processing. Mark the FVIR/MS denoting the confiscation of the invalid certificate(s).
- E. Advise the fleet of the need to re-inspect the vehicle(s) issuing the COI at the time of inspection.
- F. Note the violation on the daily log, Fleet Audit Checklist/Report (FAC/R) and submit the report to ICU supervisor citing ARS 49-543(F), AAC R18-2-1019(F)(1)(a). R18-2-1019(G)(2)
- G. Issue Appealable Agency Action (AAA) form if COI(s) are confiscated.

7. COI issued to a non compliance vehicle.

Authority-ARS 49-546(F), 49-543(F), 49-546(B), 49-542(D), 49-542(G), 49-549(B) AAC R18-2-1019(F)(1)(a) R18-2-1019(H)

- A Document the vehicles non-compliance, be specific. Example: During a review of the FVIR/MS you find a COI is issued to a vehicle with no AIS system. You discover the vehicle was originally equipped with an AIS system. You need to inspect the vehicle to verify the AIS system and other equipment on the vehicle. (the inspector could have overlooked the AIS system) If you suspect the vehicle is sold, visit the Motor Vehicle Department to find the current registered owner and make arrangements to perform an inspection on the vehicle. If the vehicle is not sold inspect the vehicle at the dealer, once you have inspected the vehicle and a violation has occurred, request to see the deal jacket for the vehicle sale. Ask for a copy of the buyers order and the FVIR/MS.
- B. Confiscate the COI(s) issued to the noncompliance vehicle(s). Mark the original (white) FVIR/MS denoting the confiscation.
 - 1 Dealer Fleet: Determine if the COIs issued to vehicles which are still in inventory. Confiscate COIs issued to vehicles which are still in inventory. Mark the FVIR/MS denoting the confiscation of the invalid certificate. COIs issued to vehicles which have been delivered are not to be confiscated.
 - 2 Non Dealer Fleet: Confiscate COIs which have not been submitted to ADOT/MVD for registration processing. Mark the FVIR/MS denoting the confiscation of the invalid certificate(s).
- C. Advise the fleet agent /owner of the need to bring the vehicle(s) into compliance and re-inspect. The confiscated COI can be returned after confirmation that the

vehicle is in compliance. Issue an Appealable Agency Action (AAA) form if COI(s) are confiscated.

- D. Record the violation on the daily log and submit a detailed written report to the ICU supervisor citing ARS 49-546(B), R18-2-1019(F)(1)(a)

8. COI(s) issued to a vehicle that was not owned or leased by the fleet.

Authority-ARS 49-546(F), 49-546(C), AAC R18-2-1019(G)(2)

- A. Document vehicle ownership at the time of COI issuance. Ask the fleet agent to provide a copy of the Application for Arizona Certificate of Title and/or the sales contract.
- B. Document the issuance of the COI. Confiscate the invalid COI, if the COI is still in the possession of the fleet station. Mark the original (white) FVIR/MS denoting the confiscation of the invalid certificate.
- C. Issue Appealable Agency Action (AAA) form if COIs are confiscated.
- D. Record the violation on the daily log and the Fleet Audit Checklist/Report, submit a detailed written report to the ICU supervisor, citing ARS 49-546(C), R18-2-1019(G)(2)

9. Delivery of an uninspected vehicle

Authority- ARS 49-542(D), AAC R18-2-1003(A)(2), R18-2-1005(A)(2)

- A. Document vehicle delivery. Ask the fleet agent to provide a copy of the Application for Arizona Certificate of Title, the sales contract, and Temporary Registration Plate.
- B. Document the inspection or non-inspection.
- C. Inspection after the sale may be documented in one of the following ways. Obtain a copy of the state station vehicle inspection report, or state station history inquiry, or COI and FVIR/MS.

Investigators Note: If the fleet station has issued a COI to a vehicle after the sale, a violation of ARS 49-546(C) has occurred, inspection of a vehicle not owned or leased. If violation has occurred, follow steps outlined in procedure number 8.

- D. Record the violation on the daily log, FAC/R and submit a detailed written report to the ICU supervisor citing ARS 49-542(D) and AAC R18-2-1005(A)(2).

10. Failure to provide area A retail purchaser with a written copy (I/M 147 Disclosure) of their right to obtain a transient loaded inspection within (3) days after the vehicle sale.

Authority- ARS 49-542.03

- A. Document the nonissuance of the I/M 240 disclosure. The non-issuance is documented if all copies of the multi-part form sold by the Arizona Automobile Dealers Association are found in the sales file, or no customer notification is found in the sales file.
- B. Document vehicle delivery. Ask the fleet agent to provide a copy of the Application for Arizona Certificate of Title, the sales contract, and Temporary Registration Plate if issued.
- C. Document the inspection. Obtain a copy of the COI and FVIR/MS.
- D. Record the violation on the daily log and submit a detailed written report to the ICU supervisor citing ARS 49-542.03(B).

11. Fleet requirements not met. Failure to cease fleet operation
Authority- ARS 49-546 (A), AAC R18-2-1019 (B),(C) and (D)

- A. Document the requirement not met, be specific.
- B. Document the date the fleet failed to meet requirements. Obtain copies of COI(s) and FVIR/MS.
- C. Determine ownership of invalid COI(s).
 - 1. Dealer Fleet: Determine if the COIs issued to vehicles which are still in inventory. Confiscate COIs issued to vehicles which are still in inventory. Mark the FVIR/MS denoting the confiscation of the invalid certificate. COIs issued to vehicles which have been delivered are not to be confiscated.
 - 2. Non Dealer Fleet: Confiscate COIs which have not been submitted to ADOT/MVD for registration processing. Mark the FVIR/MS denoting the confiscation of the invalid certificate(s).
- D. Advise fleet station of the need to obtain a valid inspection for the Vehicle(s). After the fleet station meets fleet requirements, the fleet may re-inspect vehicles which the COI was confiscated.

Investigators Note: If the fleet failed due to personnel requirements follow procedures for no inspector or no agent. Verify that vehicles delivered received the proper inspection. If not they must be inspected at the state station. The fleet may have multiple violations.

- E. Place ART on the fleet station. Document the ART on your Daily Log and the

FAC/R

- F Issue Appealable Agency Action (AAA) form if COI(s) is confiscated.
- G. Record the violation on the daily log and submit a detailed written report to the ICU supervisor citing ARS 49-546(A), AAC R18-2-1019.

12. Improper completion of a COI and/or FVIR/MS. Ie. Incorrect data entered

Authority ARS 49-546(F), 49-546(B), AAC R18-2-1018, R18-2-1019(F)(1)(a)

- A. Document the violation, on the daily log and or FAC/R, obtain copies of the incorrect or inaccurate COI(s) and FVIR/MS.
- B. Advise the fleet agent and violating licensed inspectors of proper procedure.
Conduct an inspector audit.
- C. Submit a detailed written report to the ICU supervisor.

13. Failure to Maintain fleet vehicle inspection records (third copy of COI, and original FVIR/MS) for two years.

- A. Document the fleet stations inability to account for the emissions inspection records.
- B. Advise the fleet agent of the violation.
- C. Submit a detailed written report to the ICU supervisor, citing AAC R18-2-1019(F)(1)(f)

14. Failure to submit fleet vehicle inspection records(second copy of COI and FVIR/MS to the Department within (15) days after the end of the month in which the inspections were conducted.

- A. Document the non submittal of records which are still in the possession of the fleet station more than fifteen (15) days after the end of the month in which the inspections were conducted that have not been submitted to the Department.
- B. Advise the fleet agent of the violation, submit a detailed written report to the ICU supervisor, citing AAC R18-2-1019(F)(1)(e)

15. Failure to inspect Government entity vehicles Annually or Biannually.

Authority-Federal Government Vehicles 40CFR 51-356, (4) State, City, Town, County, School District, or any political Subdivision ARS§49-542(F)(5), AAC R18-2-1005(A)(4), R18-2-1005(B)(2).

- A. Document noncompliance or failure to inspect, record on the Government Entity compliance audit report. Review state station history or last inspection documented on a FVIR/MS may be used.
- B. Advise fleet agent or fleet administrator of the violation and the requirement to inspect vehicles annually or biennially.
- C. Submit a detailed written report to the ICU supervisor, citing applicable above mentioned statutes and/or rules.

16. Failure to display inspector license(s) and/or fleet station permit.

Authority- AAC R18-2-1019(G)(1)

- A. Document the failure to display the fleet permit and/or inspector's licenses on the fleet/inspector audit checklist.
- B. Document the violation in the comments section of a fleet/inspector audit checklist citing AAC R18-2-1019(G)(1). Discuss the violation with the fleet agent.
- C. Submit a detailed written report to the ICU supervisor.

17. Failure to issue COIs in numerical order.

Authority-AAC R18-2-1019(F)(1)(e).

- A. Failure to issue COIs in numerical order will be documented on the FVIR/MS.
- B. Document the violation in the comments section of a FAC/R citing AAC R18-2-1019(F)(1)(e). Discuss the violation with the fleet agent.
- C. Submit a detailed narrative report to the ICU supervisor.

18. Failure of city, town, or county, school district or special district to prohibit the parking of vehicles which fail to comply with emissions inspection requirements in an employee parking lot. Authority- A.R.S. 49-552

- A. Failure to prohibit will be recorded on both the FAC/R and Government Entity Vehicle Compliance Audit Report (GEVCAR). If discovered during a special audit or the entity is not a fleet station, the violation can be recorded on the GEVCAR.
- B. Discuss the violation with the fleet agent, citing A.R.S. § 49-552.
- C. Submit a detailed narrative report to the ICU Supervisor
- D. If signs are present there is no fleet violation. Record vehicle plate and if possible

the VINs. Give the list to the fleet agent and inform him that you will be forwarding the vehicle's information to MVD for **possible** suspension of the vehicle registration.

Any portion of this procedure that is unclear please contact Adrion Osborne